

clipped from:

CURRENT INTELLIGENCE DIST

Approved for Release 2000/05/05 : CIA-RDP78-01634R000100030010-7

OCI no. 6653/55

4 Oct 55

9. Egyptian arms mission negotiating in India: A four-man Egyptian arms mission is in India negotiating for the purchase of Indian military equipment, including small arms, engineering and signal materiel, according to a usually reliable source. The Egyptians are reported dissatisfied, however, with the terms offered by New Delhi, claiming that the same items are available at lower cost in Europe.

25X1X6
[REDACTED] comments that India seeks to keep its ordnance factories going in the interest of self-sufficiency and has instructed its military attaches abroad to act as salesmen for surplus Indian equipment. [REDACTED] doubts, however, that India would offer signal equipment, since it has a great need for this itself. 25X1X6
[REDACTED]

Comment: Before the conclusion of its arms deal with the Soviet bloc, Egypt sought to tap all possible sources of arms supplies. Since then, however, Egyptian arms missions probably have become reluctant to buy except on terms as good as those offered by the bloc, and this particular opportunity to establish the closer Egyptian-Indian relations sought by New Delhi may thus have vanished.